

*Government Orders*

having to once again intervene in the collective bargaining process.

I am certain that hon. members will comprehend why the decision is necessary once I lay out in very brief fashion the details of the dispute and the extensive efforts that went into trying to resolve it.

The dispute which gave rise to the introduction of this legislation involves the British Columbia Maritime Employers Association which represents ship owners, stevedoring firms and agents, the longshore industry on the west coast of Canada, and the International Longshoremen's and Warehousemen's Union, involving some 2,300 full time workers and about 1,300 casual workers. They were covered by a collective agreement which expired December 31, 1992.

During that period we offered very extensive conciliation services to the parties and progress was made in a number of areas, but there were still some outstanding areas, particularly those relating to wage differentials and some degree of security.

The parties were advised of a decision I took on January 19 not to provide further conciliation procedure and to let the parties resume honest bargaining between themselves. I did so because the issues were not complex in nature. The two sides should have been able to achieve a complete resolution of the contract dispute. However in direct negotiations that were held on January 22 and January 26 the parties failed to resolve their differences.

Members of the longshoremen's union commenced legal strike activity at the port of Chemainus on Vancouver Island on January 27. The following day the employer indicated it would not request the union to supply labour at any of the west coast ports as of 8 a.m. on January 29. In response the union initiated strike action at other B.C. ports during the afternoon of January 28. On January 29 all longshoring operations ceased.

Indications from the parties at the time indicated that because there was not much dividing them, there could be an early resolution of the dispute. We believe there was a desire to settle this on an amicable basis.

I am fully aware, and I think all members are, of the enormous economic importance the Vancouver west coast ports carry. It is the major outlet of foreign export markets for this country. Its cessation as an active outlet has already brought a number of major impacts to the Canadian economy, in particular the grain economy of western Canada.

Some 25 grain ships are in west coast ports awaiting loading and a further 38 ships are due to arrive over the next two weeks. The major escalation in requirements to have our exports moved was one of the reasons for bringing in this legislation.

The scheduled loadings represent approximately 2.1 million tonnes of grain or close to \$500 million in exports. In addition at least five container ships containing 5,000 containers have been diverted from the port of Vancouver. Other commodities such as lumber, potash, sugar and minerals have also been affected by the work stoppage and the diversion of other commodities to other ports.

The cessation of longshoring activity has had a chain reaction among many other workers. More than 170 grain handlers have been laid off, 200 rail employees and some 190 federal grain inspectors have been notified of lay-off status. Firms such as B.C. Sugar Refinery and Cominco have indicated they will be facing reduced operations or lay-offs in the very near future.

Given the impact which these early hours or days of the strike affected, we immediately appointed a mediator on February 1 to provide the parties with a further opportunity to deliver on their commitment to resolve the dispute. Mediation talks began on February 2 and carried on till the following morning. Talks resumed on the afternoon of February 3. Again, despite these extensive efforts the parties remained in a dispute on the issue of wages and the talks adjourned.

• (1520)

As one who strongly believes in collective bargaining, including the rights and responsibilities it places on the parties, I was reluctant to allow the two parties to abdicate their responsibilities to the Canadian public.

On February 4 I requested again that the parties return to the negotiating table with the assistance of the mediator, as well as the director general of the Federal Mediation and Conciliation Service.

[*Translation*]

I have told the parties involved how disappointed I was that they had been unable to reach an agreement to date. I also indicated that I expected that they do their utmost to settle their differences without further delay so that grains and other Canadian goods might again be shipped abroad.

[*English*]

Mediation talks resumed in Vancouver on the afternoon of February 6. Unfortunately, even though we had applied both mediation and persuasive techniques, I must again report that the British Columbia Maritime Employers Association and the International Longshoremen's and Warehousemen's Union failed to arrive at a settlement of their contract dispute.

As a result the legislation brought in today calls for immediate resumption of longshoring operations on Canada's west coast on the coming into force of the act, which I hope will be soon.

It provides for a mechanism of settlement of the remaining issues in dispute through the process of final offer selection. The